

DOCUMENT RESUME

ED 129 175

HE 008 263

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TITLE No-Need Awards: An Issue.
INSTITUTION College Entrance Examination Board, New York, N.Y.
Coll. Scholarship Service.
PUB DATE 76
NOTE 16p.
AVAILABLE FROM College Scholarship Service of the College Entrance
Examination Board, 888 Seventh Avenue, New York, N.Y.
10019

EDRS PRICE MF-\$0.83 HC-\$1.67 Plus Postage.
DESCRIPTORS *Awards; Colleges; *Educational Finance; Enrollment;
Federal Aid; Financial Support; *Higher Education;
*Needs; *Policy Formation; State Aid; *Student
Financial Aid; Student Needs; Tuition Grants;
Universities
IDENTIFIERS *College Scholarship Service

ABSTRACT

The growing use of financial awards to students regardless of demonstrated need has aroused much debate. Small private colleges with more limited curricular offerings in heavy competition for students are those using no-need awards most in an attempt to solve their problems of enrollment and academic stature. However, large public and private institutions are also using these kinds of awards to attract a cadre of outstanding students. The implications of such heavy competition for students are outlined. A discussion of the arguments pro and con on no-need awards is presented touching on such topics as: raising the academic profile of an institution; use as a cost discounting procedure; enrollment incentives and inducements; use as competitive enticement against low tuition institutions; increased access to students; use as award for academic excellence; and the institution's right to financial independence and determination of priorities. The College Scholarship Service (CSS) policy statement on the use of no-need scholarships is included. The recommendation for adoption recognizes that such awards are ineffective in accomplishing their stated goals and that scarce institutional funds should be combined with increased state, federal, and institutional grant programs to enable needy students to choose freely among all postsecondary opportunities available to them.

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NO-NEED AWARDS: AN ISSUE
by Alexander G. Sidar Jr., Executive Director

Introduction

The growth of no-need scholarships has become a volatile issue in student financial aid during the past few years. The increase in numbers of institutions turning to this kind of award has been the subject of panel discussions and papers at numerous meetings and of articles in professional publications. In September 1975, the CSS Committee on Membership recommended to the CSS Council that it endorse a policy statement on no-need scholarships. The CSS Council discussed the proposed statement and remanded the issue to the membership for discussion through the regional-meeting process. Following discussion at these meetings the issue is to be brought to the CSS Assembly Annual Business Meeting in October 1976 with recommendations or endorsement of a policy statement or other appropriate action. This paper has been prepared for the purpose of presenting this issue to the CSSA membership and eliciting suggestions for actions that might be taken.

Background

No-need awards have been granted to students for almost as many years as financial aid has been available to institutions for awarding to students. In most instances these funds have come from institutional sources. Some programs of this kind have been funded by special gifts requiring that these funds be directed to the highly qualified (academically) regardless of need. Before the middle 1950s and early 1960s there was little direction or societal purpose involved in the distribution of institutional funds to students, with the exception of the G.I. Bill. There were few principles attached to the methods that colleges employed in distributing their monies. The basic approach could be stated in simple terms as follows: What is good for the institution is good for the student and, therefore, is also good for society. We the institutions, help the students we need or want for specific reasons. In short, what is good for the institution is paramount because it encompasses societal purpose as we the institutions define it. This philosophy pervaded our college and university philosophies for years and still exists today in many places.

Through the years institutional purpose was the dominant force directing the distribution of extremely limited institutional monies to students. To



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what other purpose should a college use its funds? This is an arguable subject. Many would say societal purpose. This broader purpose encompasses institutional purpose because the institution is an implement of our society. The United States Congress recognized this when it established the Servicemen's Readjustment Act (G.I. Bill) in 1944. This legislation was publicized as a reward to veterans for service to their country and was initially aimed at helping college students whose education was interrupted by service commitments to reenter and complete their education. However, it was also designed to serve another more primary and functional societal purpose -- that of slowly and methodically introducing millions of newly released veterans into the country's job market, thereby preventing a disastrous unemployment crisis. It became an entitlement not only to those whose education was interrupted but also to any veteran who wished to continue postsecondary education. The G.I. Bill presented students with a ticket to the colleges of their choice. The student decided where the grant would be used, institutions did not.

Even without college control of the recipients of these funds, the G.I. Bill had no real effect in altering institutional priorities, values, or procedures, because abruptly colleges again found themselves in the best of times -- a seller's market. The sudden press in numbers caused by returning G.I.s and newly minted high school graduates, both seeking admission and vying for college places, brought many colleges and universities from the brink of disaster to a new high water of affluence. Most presidents were so elated at the sudden influx of students returning to fill their previously empty campuses that they were not really concerned about whether the student or the institution controlled the money that paid the tuition that happily again ensured faculty and staff salaries and maintenance of campus buildings.

The G.I. Bill remained the principal method of federal funding for students for 13 years of its functional life before the National Defense Student Loan Program became a reality in 1958. These federal grants in the hands of students were widely accepted as an excellent solution to the problem of sustaining higher education. Very few questioned the source of funds or the manner of distribution. Survival was paramount, and the G.I. Bill guaranteed this survival to colleges and universities that had been foundering during the war years. However, the early 1950s found the veteran population greatly reduced from the late 1940s and the enrollment of all students leveling (see Table 1) while institutions continued to build for increases in numbers of students.

Institutions that had optimistically built for expanded enrollments found themselves, once again, in the unhappy situation of competing with each other in a relatively stable pool of students. Once again, they began to spend their monies to bring to campuses students who did not need these funds. As competition for top students accelerated, concern among institutions grew because awards were different at each institution to which a student applied and were often changed more than once. Institutions could increase their award offers above the offers of other institutions because they based them on (1) the institution's individualized evaluation of need, and (2) the attractiveness of the student to the institution. Different evaluations of need and bidding for students were common. The situation was becoming chaotic and beyond the control of institutions.

In 1954, at the request of a number of member colleges, the College Board created the College Scholarship Service, for the purpose of developing one form, a common and equitable method of need analysis, and a spirit of

cooperation and coordination in the student aid process. In short, a standard of equity in the needs and the treatment of students was given a priority that did not exist before. The number of institutions using the CSS system grew, and the need concept in awarding student aid steadily expanded nationally.

Table 1. Enrollments in Higher Education, 1946-1953

<u>Year</u>	<u>Total enrollment</u>	<u>Total veteran enrollment</u>	<u>Percent</u>
1946	2,078,095	1,022,036	52
1947	2,338,226	1,235,761	53
1948	2,408,249	1,050,668	44
1949	2,456,841	897,456	37
1950	2,296,592	609,249	27
1951	2,116,440	410,944	19
1952	2,148,284	275,652	13
1953	2,250,701	288,761	13

Source: U.S. Office of Education, Opening Fall Enrollments in Higher Education. Washington, D.C.: U.S. Government Printing Office, 1960.

In 1958 when the National Defense Student Loan Program was begun and student need became a criterion for eligibility in this federally subsidized program the use of CSS services grew. It grew again in 1965 when legislation was enacted establishing the Educational Opportunity Grant Program and the College Work-Study Program. Institutions controlled the distribution of these funds within the scope of gentle federal regulations and guidelines.

During these middle 1960s need became a predominant factor in student aid, at the time when World War II birth rates dramatically began to increase the number of students going to college. Institutions found themselves, once again, in a seller's market. Incoming freshman class quotas were easily attained, and academic quality as measured by the higher class ranks, grade-point averages, and SAT scores of students rose each year. All was well in academia, and ethical procedures and sound admissions and aid practices and principles were closely adhered to by most institutions.

The availability of federal student aid in the form of loans (NDSL), grants (EOG), and employment (CWS) permitted even the poorest institutions, if they so chose, to offer sound student aid packages to needy students. Institutions with funds of their own and those in states with substantial state grant programs had greater latitude in dealing properly and equitably with needy students.

True, merit or enticement awards persisted through tradition and special endowment funds at some institutions, but these were not significant enough

in numbers or amounts to cause great concern among those schools that were strictly adhering to the need concept. A significant number of universities and colleges were awarding grants, without considering need, to football players, other athletes, band participants, and other selected talented students -- but these were considered traditional kinds of awards and, therefore, within the institution's prerogative. Many of these institutions awarded all other aid on the basis of need -- and many today continue to follow this dual standard.

In addition to providing most institutions with the capability of awarding sound financial aid packages to students, the federal student aid programs of the Higher Education Act of 1965 boosted the emerging national effort to bring into postsecondary education other constituencies -- long excluded from the privilege of higher education because of costs and other discriminatory criteria. Federal student aid funds, particularly under the EOG and talent search programs, brought larger numbers of these new student constituencies, mostly minority and low-income students, into postsecondary education. But appropriated funds in all federal programs never fully caught up with the monies needed to aid all needy student applicants. They have not caught up to student need at the present time. Increased cost of living and continued raises in tuition since 1965, the beginning year of full federal student aid programs, have left the aggregate national student aid resources consistently short of total student need. The Higher Education Amendments of 1972 brought forth a publicly funded program, the Basic Educational Opportunity Grant Program, as an entitlement to low-income students to aid in subsidizing postsecondary educational objectives. The funds allocated to this grant program have helped to reduce the shortfall of national aggregate aid funds, but a significant gap still exists. Nevertheless, in order to compete with each other for students they want to enroll, or perhaps because of the existence of new monies to help low-income and risk students, many institutions are once again turning to no-need awards. This competition is occurring in the face of a shortage of funds for needy students and in a student pool that is plateauing in numbers and will then decrease during the next 15 years. The nation's population of 15- to 24-year-olds has been projected as follows:¹

1972 --	38,310,000
1980 --	39,542,000
1990 --	34,246,000

It seems important as we explore this issue to be specific about what a no-need scholarship or award really is. The term may have different connotations for different constituencies.

Terminology

The term "no-need" scholarship has been used generically to describe particular kinds of awards. There are a number of closely related types of financial grants that also fall into this category.

In its purest form a no-need award is a monetary grant or scholarship given to a student who would be able to afford to attend the institution with-

1. Statistical Abstract of the United States. Washington, D.C.: Department of Commerce, 1974.

out this kind of a superfluous subsidy. The institution is aware of family ability to meet costs and makes the award nonetheless.

Other forms of no-need awards are those given without consideration of the level of need. They carry predetermined stipends of the same amounts for all recipients. Institutions are unaware, usually purposefully, of the economic circumstances of the students because a financial need analysis determination has not been required. Students therefore (1) may need the amount of money granted, (2) may need more than that granted, or (3) may be granted more than is needed even though a degree of need exists.

Discounting procedures in which students are granted differing tuition reductions on the basis of secondary school academic performances also fall into this category.

In all these instances need has not been a consideration, and therefore if the size of the grant meets the student's need it is accidental and unusual. In most instances the no-need award bears no relationship to the student's requirements for funds.

In these different categories of no-need scholarships other terms are used to describe these kinds of awards, and different terminology is used by those favoring and those opposing no-need awards. Among the most prominent are: merit grants, honor scholarships, enticement awards, inducement awards, and enrollment discounts.

Institutions that are attempting to upgrade their academic status or increase the size of their entering classes, or both, have turned in increasing numbers during the past five years to merit awards or honor scholarships to accomplish this. Merit or honor monies are being used to attract potential students with high entry test scores, superior secondary school records, and high class rankings. These awards are usually an established standard amount or a discount of \$500, \$1,000, or \$1,500. This distribution of merit or honor monies is also employed to shore up declining enrollments. In some instances these awards are based on a sliding scale predetermined by the student's academic ranking. For example, students with combined SAT-verbal and SAT-mathematical scores of 1200² or above and class rankings in the top decile receive a \$1,500 merit award. Students with combined verbal and mathematical scores of 1100 and in the top quintile receive \$1,000 awards. In this manner, merit or honor awards are used not only to raise the academic stature of incoming classes but also to fill empty classroom seats and dormitory rooms.

Pressures for upgrading student academic status at institutions usually is initiated by faculties. Pressures for enrollment discounts often come from the business vice presidents and in some instances from harassed admissions directors struggling to meet prescribed class quotas.

The terms enticement awards or inducement awards are most often used by institutions that do not offer these kinds of awards and are strong and fervent supporters of the need concept in student financial aid.

Proponents of no-need awards believe these are a realistic method for halting a decline in numbers of higher qualified academic students and

2. The annual College Board study on college-bound seniors for 1974-75 reports that among the one million students taking the Scholastic Aptitude Test only 79,000 scored above 600 on the verbal sections. This is a strong indicator of the limited size of the pool of students available for these awards. (College-Bound Seniors, 1974-75, p. 23).

preventing a continued reduction in the number of student applicants and registrants. They also believe that opponents of no-need awards are idealistic in their insistence that this procedure is not in the best interest of students.

The opponents of these kinds of awards believe that this is an unrealistic attempt at a solution to a real problem -- a plateau in the continued increase in numbers of students that has been experienced during the past 30 years and an accompanying decline in numbers of highly qualified competitive students as measured by SAT scores and secondary school academic performance. They also decry the waste of money inherent in this procedure, money required by needy students that is being diverted to other sources.

Status

Despite debates, publications, panels, and papers on the issue, the use of no-need awards is growing. Robert P. Huff in an article in the College Board Review³ included the results of his survey on the use of these awards (see Table 2).

Table 2. Merit-Award Survey Results

<u>Category</u>	<u>Are Making Merit Awards</u>	<u>Percent of Respondents</u>	<u>Are Not Making Merit Awards</u>	<u>Considering Merit Awards</u>	<u>Average Amount of Award</u>
Public . . .	143	54.0	113	9	\$669
Private . .	324	54.5	238	31	496
Small . . .	352	75.4	273	29	623
Medium . . .	59	12.6	37	6	571
Large . . .	56	12.0	41	5	618
East	115	39.0	162	18	746
South . . .	104	66.7	48	4	676
Midwest . .	180	66.7	82	8	509
West	65	50.0	55	10	567
Other . . .	3		5	0	
Total . . .	467	54.5	352	40	616

3. "No-Need Scholarships." No. 95, Spring 1975, p. 13.

Although Huff reported that 75.4 percent of the institutions making no-need awards were in the small institution category he did not specifically identify small private colleges as among the largest group using these awards. However, this appears to be evident in the numbers reporting and in the categorizations:

<u>Numbers reporting</u>	<u>Categorizations</u>
Public 143	Under 5,000 -- Small 352
Private 324	352 (Total small)
	5,000 - 15,000 -- Medium 59
	15,000 & Over -- Large 56
	115 (Total medium and large)

It would appear that the small private colleges with more limited curricular offerings and in heavy competition for students with two-year community and four-year public institutions are those using no-need awards most in an attempt to solve their problems of enrollment and academic stature. However, more unfortunately, large public and private institutions are also using these kinds of awards to attract a cadre of outstanding students. Often in these larger institutions no-need awards are being used to compete for students with other departments or divisions within the same university. One can only speculate about the results of accelerated competition in this area if highly endowed private and highly subsidized public institutions turn in greater numbers to additional subsidies in the form of no-need awards, in an even more active competition with smaller independent institutions than now exists. It requires little imagination to predict who will be the ultimate winners and losers.

As the debate continues arguments in favor of and against this procedure have emerged. A synopsis of these arguments follows.

NO-NEED AWARDSArguments - Pro

1. No-need awards will raise the academic profile and status of an institution by attracting brighter students who would not normally apply or attend.
2. Inducement awards will help to fill empty classroom seats and dormitory beds. For example, providing a \$1,000 no-need award at a \$3,300* tuition, fee, room-and-board institution yields a net gain of \$2,300 for tuition and fees and room and board, which is better than the complete loss of a full-cost \$3,300 student.

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3. No-need awards will serve to bolster declining numbers of applicants and registrants.

4. These awards help middle-income students who have little access to financial aid funds -- particularly grants.

Arguments - Con

1. No-need awards will not succeed in raising the academic profile of an institution because the pool of students at which they are directed is too small to be radically affected by this procedure.
- 2a. No-need awards are a cost discounting procedure for an artificially prescribed group of students and, therefore, discriminate against all other admissible students.
- 2b. No-need awards may possibly succeed as short term palliatives to increase the number of applicants and registrants but are not economically viable as a long-term solution. There is a point in every institution's fiscal structure at which the number of these awards will cause institutions to lose money rather than gain.
- 3a. There is little evidence to indicate that no-need awards induce significant numbers of students to change their choice of colleges.
- 3b. College choice should be based on educational considerations not financial inducements.
4. Need as a criterion does not exclude middle-income or academically superior needy students from receiving aid. This is particularly true at higher cost independent institutions where these awards appear to be in ascendancy.

* The 1974-75 average cost for resident students at private four-year institutions was \$3,287 rounded. (Student Expenses at Postsecondary Institutions 1974-75. New York: College Entrance Examination Board, 1974.)

Arguments - Pro

5. Publicly subsidized institutions have built-in enticement awards in the form of low tuition. Independent, higher cost institutions must use awards unrelated to need as similar subsidies in order to compete.
6. No-need awards are recognition of accomplishment and merit in a society that is rapidly becoming indifferent to achievement.

7. No-need awards help to preserve the longstanding American concept of broad access to higher education institutions by making private education available to students.

8. Institutions value academic excellence and, therefore, should reward it.

9. Our faculties cannot understand why we should not reward academic excellence.

Arguments - Con

5. Partial grant subsidies do not permit an independent institution to compete effectively with highly subsidized public institutions. Discounts to the level of publicly subsidized tuition rates are not economically feasible for any private institution.

- 6a. No-need awards, if successful in changing student choice of institutions, may attract students to institutions that are not academically appropriate for them.

- 6b. Awards for accomplishment and merit should be made by and at the secondary institutions where these attributes were demonstrated.

7. Access and choice among higher education institutions should be accomplished through coordinated federal, state, and institutional need-based aid programs to give choice to needy students rather than to those who have the financial capabilities of exercising that choice.

8. Postsecondary institutions, a priori, are expected to be primary sources of excellence for all, not for a predetermined and pre-selected few.

9. No-need awards are an improper use of institutional funds. Unless completely funded by an outside source, the funds needed to support these programs must come from other students' tuitions, deferred faculty or staff salary raises, or deferred plant maintenance expenditures. Faculties should clearly know the sources from which these funds will come and their potential effectiveness.

Arguments - Pro

10. Institutions should continue to have the right to align their expenditures with their priorities. The attracting of academically superior students is a priority.

Arguments - Con

- 10a. No-need scholarships present the impression that an institution has excess funds to distribute to whomever they choose simply by declaring a priority.
- 10b. If no-need awards are an institutional policy and priority, students should have the right to challenge the institution's pricing policies for all other students.
- 10c. Institutional expenditures for no-need awards should, if considered an institutional right and priority, be publicly announced in numbers of students to be awarded in one-year and four-year periods, total expenditures assigned to the program and the sources of funds necessary to support it.
- 11a. Parents should be advised through publications and other methods that no-need scholarships divert institutional funds to students who can afford postsecondary education and away from needy students who would not otherwise be able to attend.
- 11b. Parents should be made aware that there are limited student aid funds available. All needy students cannot now be helped, therefore, no-need awards deplete the existing inadequate fund base.
12. Financial considerations play little part in choice of institutions by higher income families that can afford to pay an institution's costs. No-need awards attempt to entice or induce the family to change choice solely on the basis of a monetary gift.

11. Parents of bright students cannot understand why their sons and daughters should not be rewarded for their academic excellence.

12. No-need scholarships remove financial considerations in choice of institutions for higher income families just as need-based awards remove these considerations for students with lower family income.

Arguments - Pro

13. Demonstrating respect for academic achievement through grants is no different from demonstrating respect for research through grants.
14. It is necessary to award no-need scholarships in order to compete with other institutions that are doing this.

15. No-need awards recognize the reality of a highly competitive admissions situation and financial crisis among independent colleges. Not to recognize this would be to refute reality.

Arguments - Con

13. No-need awards should not be used to demonstrate respect for achievement. Prizes and honors should be used for this purpose. Research by established professionals is not similar to academic achievement by secondary school students.
- 14a. No-need awards serve only short-term institutional purposes through competing with other institutions. They do not take into consideration overall and long-range student, institutional, and societal needs and objectives.
- 14b. No-need awards can encourage students to play one institution against another in the admission and awards process.
- 15a. No-need awards lead inevitably to increasing competition among similar and closely competitive institutions that grant these awards.
- 15b. No-need awards can lead to institutional fiscal disaster through valid escalating demands from all other students for equitable treatment through similar discounting programs.
- 15c. Institutions may find it necessary to raise tuitions to all other students to meet the costs of these discounting programs.
- 15d. If private colleges are indeed subsidizing students at existing full tuition levels, as can be documented in most cases, a reality is that no-need awards then become a double subsidy.

Arguments - ProArguments - Con

16. Federal and state aid granting agencies may well question an institution's commitment to aiding needy students when institutional funds are being given to students without need as institutions are increasing their requests for public funds for student aid programs.

CSS Policy Statement on the Use of No-Need Awards.
As Proposed by the CSS Committee on Membership

Introduction. The National Task Force on Student Aid Problems concluded its 1½-year study and evaluation of the student aid processes and procedures currently existent in the United States in May 1975. Among its many excellent recommendations was one for the endorsement of a Uniform Methodology for Measuring Parental Ability to Pay for postsecondary educational costs. In reporting on its recommendation for widespread endorsement and use of the Uniform Methodology the Task Force report states the following basic assumption: "The underlying principle of the methodology is that parents have an obligation to finance the education of their children to the extent that they are able."

This assumption is in accord with the CSS Principles of Student Financial Aid Administration approved by the member institutions of the CSS Assembly. It is also an accepted financial aid awarding procedure of state, regional, and national associations of student financial aid administrators.

The CSS Committee on Membership at its meeting in August 1975 addressed the issue of the increase in the numbers of institutions adopting no-need or enticement awards. The following policy statement was endorsed by the committee with one negative vote and passed on to the CSS Council for its evaluation and action. The Council directed that the membership discuss the issue at the 1976 regional meetings.

CSS Policy Statement on the Use of No-Need Scholarships

The CSS Committee on Membership wishes to report to the CSS Council its reaffirmation of the CSS Principles approved by the membership at the Annual Business Meeting of October 1972. This reaffirmation is believed necessary at this time because of the growing number of institutions offering no-need scholarships or grant awards.

The Committee on Membership is recommending to the Council for its approval and distribution to the member institutions of CSSA the following policy statement.

The CSS Principles of Student Financial Aid Administration, endorsed by the membership at its Annual Business Meeting in October 1972, include as the first principle this statement:

"The purpose of any financial aid program -- institutional, governmental, or private -- should be to provide monetary assistance to students who can benefit from further education but who cannot do so without such assistance. The primary purpose of a collegiate financial aid program should be to provide financial assistance to accepted students who, without such aid, would be unable to attend that college."

Other principles also refer to the concept of need as being of utmost importance in treating student aid applicants equitably. The CSS Council believes it necessary to reaffirm these principles in view of the growing use by institutions of no-need scholarships and grants. The procedure of granting institutional funds to students who do not have need of these funds is certainly questionable in its effectiveness in changing students' choices of institutions. There are several other aspects of no-need scholarships that need to be recognized:

*There are not enough funds in most institutions or in the national aggregate to aid all students who wish to pursue postsecondary educational objectives but who do not have the necessary financial resources. The distribution of funds to students who do not have need dissipates existing limited resources.

*The use of institutional funds for these kinds of awards may rightly be challenged by students, faculty, and staff as diverting institutional resources from student tuitions and faculty and staff salaries to no-need grants. Accountability in the use of institutional funds as it relates to these awards cannot be ignored.

*It is doubtful whether the proffering of no-need awards truly benefits institutions in attaining larger enrollments, achieving an increase in net tuition and room and board income, and maintaining or improving the academic level of students attending the institutions.

The College Scholarship Service Council of the CSSA encourages its member institutions to carefully study the effects of the use of no-need scholarships if they now use them. If the use of this kind of award is being contemplated, the Council urges careful consideration of costs, sources of funds, potential bidding competition with other institutions, effects on students in their free choice of institutions and curriculums, the impact on needy students applying to the institution, and institutional integrity in the equitable treatment of all student admissions and financial aid applicants.

Conclusion and Recommendation.

The recommendation for the adoption of a policy statement on no-need awards by the CSS Committee on Membership is certain to be contentious within the CSSA membership. Many institutions that support the idealistic concepts of the CSS Principles of Student Financial Aid Administration are awarding these kinds of scholarships and believe they must in order to survive. However, the effectiveness of this practice in accomplishing what it is supposed to accomplish remains highly questionable.

The Committee on Membership believes that the CSSA should place itself on record by issuing a policy statement pertaining to the lack of equity and needless dissipation of funds inherent in the no-need award process. Further, the committee believes that institutions using these awards and those contemplating their use should carefully study the effects of this kind of a program on their fiscal structure, financial aid and admissions processes, and student bodies. Athletic awards are, of course, the most highly visible form of no-need awards. The escalating cost of these competitive grants and their effect on institutional budgets have caused many institutions to reconsider their position and retrench in their athletic grant programs. The overall prognosis for ultimate fiscal distress through the use of an increase in competitive no-need awards by institutions cannot differ much from what has already occurred in athletics. The careful use of institutional funds is a stewardship responsibility that should not be taken lightly.

The continued existence of institutions will not be insured through a process in which scarce institutional funds are given to students who do not need them. The continued existence of private and public institutions must be insured by higher funding levels in state and federal public student aid agencies and closely coordinated federal, state, and institutional grant programs, with loans and jobs as secondary sources of funds to enable needy

students to choose freely among all postsecondary opportunities available to them. Institutions should engage in a concentrated and coordinated effort to assure the availability of adequate funding through federal and state agencies and the coordination of the delivery of these funds to students at a time early enough to permit choice.

With this as an ultimate objective to function in the best interest of needy students and, therefore, as a concomitant benefit to institutions, a more immediate purpose should be served: that of directing all available federal, state, and institutional funds to students with demonstrated need. With this fundamental principle in mind, the CSS Committee on Membership recommends to the CSS Assembly members the policy statement included in this paper for their approval at the 1976 regional meetings, to be brought to the CSS Assembly Annual Business Meeting for action in October 1976.

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